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LB 271, 1333

Lock, of the Revenue Committee staff, and I and several others met a number of times with various informed people in this area, trying to find a way to make the provisions of 271 fit with real life. So what the committee amendments do, in fact, then is that it bases the weight categories on motor...in the motor vehicle tax system to manufacturers' vehicle weight ratings rather than the registered weight choices made by the owner. This is the most serious error that we made last year, and for reasons none of us remember, I guess, based the taxes upon a vehicle...truck vehicle owner's choice of what the load rating they chose to register that vehicle as, had nothing to do with the...with the original cost of the vehicle. We changed that so they now are based, or will be based upon the actual costing of the truck categories. We raised the car and light truck weight category to those up to 7 tons or 14,000 pounds, versus 5 tons in the original law. There was good reason for doing that, is that is where the manufacturers make the break between light duty and medium duty trucks. Weight categories and base tax amounts are established for medium and heavy duty trucks, matches the weight categories used by manufacturers for medium and heavy duty trucks. What we found out that in the course of our investigation that there is at least one company, and probably more than one, that are able to provide a computer program that is commercially available on truck selling prices for individual trucks, so that the Department of Motor Vehicles will in fact be able to establish a catalogue of values in the same manner that they are for light trucks and for passenger cars this last year. This will carry with it an A bill, it has approximately a \$75,000 to \$80,000 one-time cost, ongoing costs will be about \$10,000, which primarily is updating...is purchasing the new truck information and the programming costs of upgrading the program at the Department of Motor Vehicles. However, that will all come from cash funds derived from the fees. We lowered, in this bill, the trailer taxes and fees and eliminated the weight categories for trailers. So now we only have two classes of trailers--a tow-behind trailer, and the semitrailer, and we pretty well did away with all of the taxes and fees on trailers, except for a minimal amount. We repealed some obsolete language with base tax payment changes on registered weight changes. That was based upon our unworkable way we proposed last year. And we established an operative date of January 1, 1999 for the change in taxes and fees. The